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June 21, 1996

BRAD E. MUTSCHELKNAUS

DIRECT LINE (202) 955-9765

Office of the Secretary  
Federal Communications Commission  
1919 M Street, N.W.  
Washington, D.C. 20554

Re: CC Docket No. 96-98 --  
In the matter of Implementation  
of the Local Competition Provisions  
of the Telecommunications Act of 1996

Dear Sirs:

Today, I met with Richard Metzger and Melissa Newman of the FCC's Common Carrier Bureau regarding issues raised in the above-referenced proceeding. I was accompanied by Riley Murphy, Executive Vice President and General Counsel of American Communications Services, Inc. We discussed the issues referred to in the attached presentation which was made at the meeting.

Sincerely,



Brad E. Mutschelknaus

cc: Richard Metzger  
Melissa Newman

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List ABCDE

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June 21 1996

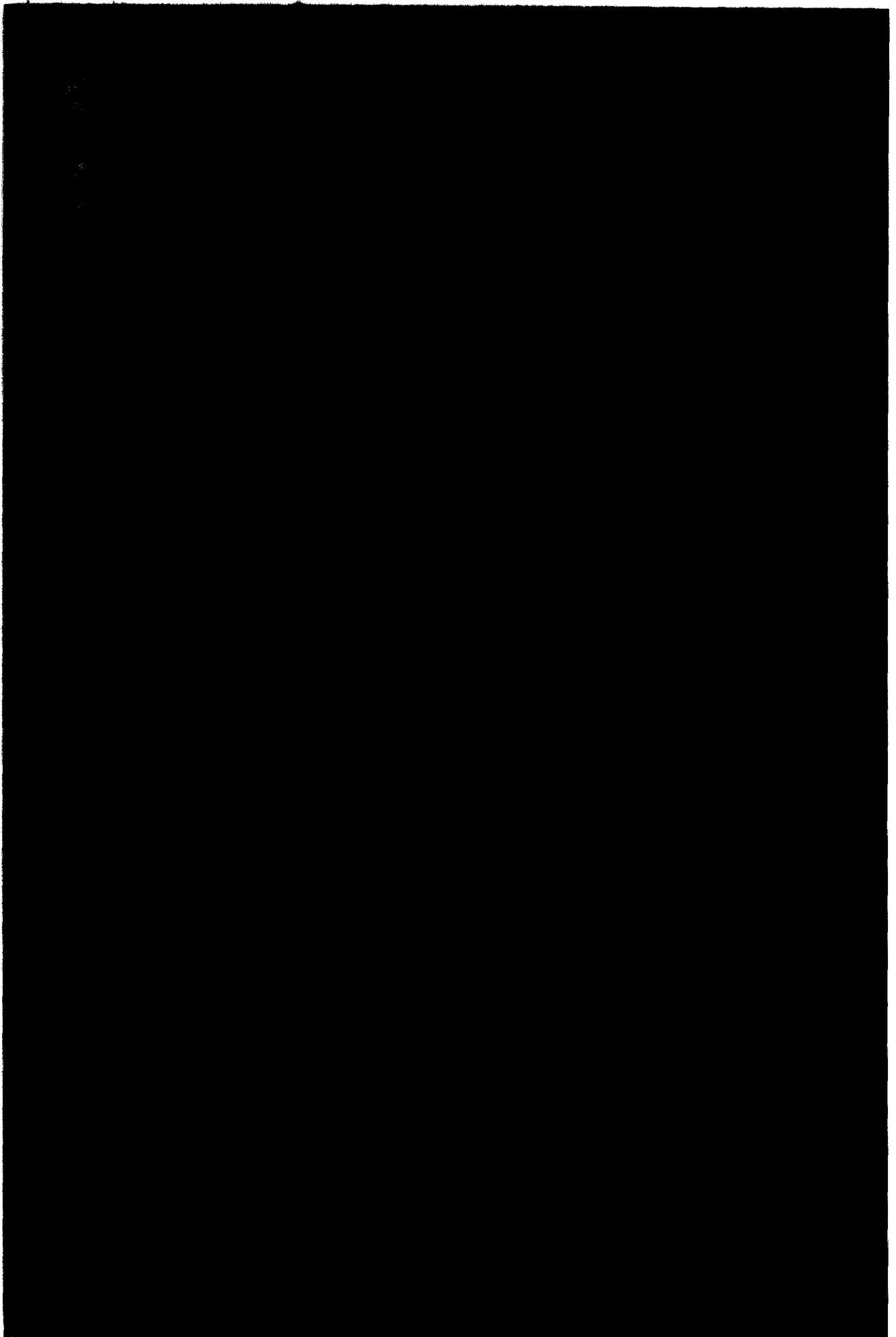
ACSI  
COMMUNICATIONS  
SERVICES INC.

**ACSI**  
AMERICAN  
COMMUNICATIONS  
SERVICES INC.

Who is ACSI?

# *General Principles*

# *Local Traffic Exchange*

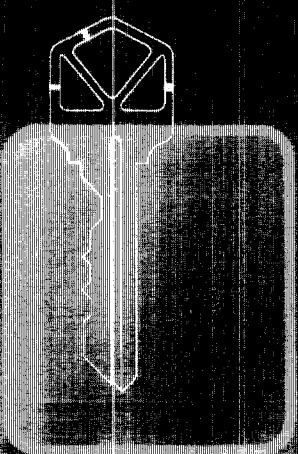


# *Loop Unbundling*

- **ACSI's Business Plan Contemplates Access to ILEC Loops, Feeder, Concentrators and Distribution**
- **Bona Fide Requests have been Made for Sub-Loop Unbundling**
- **Most ILECs Refuse to Discuss Loop Sub-Elements**
- **Loop Sub-Element Unbundling is Technically Feasible**
- **ILEC Claims that Sub-Element Unbundling is Impractical or Expensive Should Not Excuse Their Noncompliance**
- **Refusal to Provide Loop Sub-Elements Perpetuates ILEC Bottleneck Control**

# ***Loop Pricing***

- Proposed ILEC Loop Rates are Not Cost-Based
- Loop Rates Which Approach or Exceed ILEC Retail Rates Make Their Use Uneconomic
- Competitors Should Not Be Forced to Pay for the ILECs' Overhead and Bad Investment Decisions
- Loop Rates Should Be Set at TSLRIC
- Negotiations Without Explicit Pricing Standards are Failing





# ***Severability of Agreements***

## ***Section 252(i)***

- **The Ability to Pick Only the Part of a Filed Agreement Which One Needs is a Critical Competitive Safeguard**
- **Severability Enables Smaller Carriers Which Have Little Bargaining Power to Benefit From the Bargaining Leverage of Larger Players**
- **Severability is Required to Prevent Very Large Or Favored Carriers From Obtaining and Advantage**

# ***Loop Number Portability***

- **Need to Expedite Availability of Permanent Local Number Portability**
  - RCF is Substandard
- **Spread Costs Among All Telecommunications Carriers Equally**

**ACSI** American  
Cable Services  
Incorporated, Inc.



# ***Rights-Of-Way***

- **New, Explicit Federal Rules are Required to Ensure that LECs Provide Timely, Nondiscriminatory Access to Poles, Conduits, Ducts and Rights-Of-Way**
- **Utilities – Especially Those With ETCs – Also Must Be Subject to Explicit Nondiscrimination Requirements**

